

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
DAVID R. ZARO (BAR NO. 124334)
PETER A. GRIFFIN (BAR NO. 306201)
865 South Figueroa Street, Suite 2800
Los Angeles, California 90017-2543
Phone: (213) 622-5555
Fax: (213) 620-8816
E-Mail: dzaro@allenmatkins.com
pgriffin@allenmatkins.com

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
EDWARD G. FATES (BAR NO. 227809)
One America Plaza
600 West Broadway, 27th Floor
San Diego, California 92101-0903
Phone: (619) 233-1155
Fax: (619) 233-1158
E-Mail: tfates@allenmatkins.com

Attorneys for Receiver
Krista L. Freitag

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

AMERICAN HOME SERVICING
CENTER, LLC,

CAPITAL HOME ADVOCACY
CENTER,

NATIONAL ADVOCACY CENTER,
LLC,

JAIME ABURTO, a/k/a James Aburto
and Jamie Aburto, individually, as an
officer of American Home Servicing
Center, LLC and National Advocacy
Center, LLC. and d/b/a A.H.S.C.,
American Home Servicing Center, Local
Page, NAC, National Servicing Center,
NSC Processing, and Secured
Processing,

Case No. 8:18-cv-00597-JLS-KES

**FIRST INTERIM APPLICATION OF
ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS, LLP,
GENERAL COUNSEL TO THE
RECEIVER, FOR PAYMENT OF
FEES AND REIMBURSEMENT OF
EXPENSES**

Date: August 10, 2018
Time: 2:30 p.m.
Ctrm: 10A
Judge: Hon. Josephine L. Staton

1 MARCUS FIERRO, JR., individually, as
2 a member of American Home Servicing
Center, LLC and National Advocacy
Center, LLC, and d/b/a A.H.S.C. and
3 American Home Servicing Center,

4 EVE CHRISTINE RODRIGUEZ, a/k/a
Elizabeth Davis, Elizabeth Powers,
5 Christina Rodriguez, Christine
Rodriguez, and Elizabeth Rodriguez,
6 individually, as a manager of American
Home Servicing Center, LLC, a member
7 of Capital Home Advocacy Center, and
d/b/a National Advocacy Group, and

8 SERGIO LORENZO RODRIGUEZ,
9 a/k/a Sergio Lawrence, individually, as a
manager of American Home Servicing
Center, LLC, a member of Capital Home
10 Advocacy Center, and d/b/a National
Advocacy Group,
11

12 Defendants.

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

1 Allen Matkins Leck Gamble Mallory & Natsis LLP ("Allen Matkins"),
2 general counsel to Krista L. Freitag ("Receiver"), the Court-appointed receiver for
3 American Home Servicing Center, LLC ("AHSC"), Capital Home Advocacy Center
4 ("CHAC"), and National Advocacy Center, LLC ("NAC," collectively
5 "Receivership Entities"), hereby submits this first interim application for approval
6 and payment of fees and reimbursement of expenses ("Application"). This
7 Application covers the period from the Receiver's appointment on April 13, 2018,
8 through May 31, 2018 ("First Application Period"), and seeks interim approval of
9 \$32,470.20 in fees and \$1,771.35 in expenses, and an order authorizing the Receiver
10 to pay, on an interim basis, 80% of the fees incurred (\$25,976.16) and 100% of
11 expenses incurred.

12 I. INTRODUCTION

13 This receivership involves a series of related entities that purported to provide
14 home loan modification services to consumers, which conduct is at the heart of the
15 action filed by the Federal Trade Commission ("Commission"). Based on the
16 evidence of fraudulent conduct and other violations of federal law presented by the
17 Commission, the Receiver was appointed on a temporary basis via the TRO entered
18 on April 13, 2018 (Dkt. No. 20), and on a permanent basis via the Preliminary
19 Injunction Order entered on April 27, 2018 (Dkt. No. 43).

20 The appointment orders confer broad duties, responsibilities, and powers on
21 the Receiver that are designed to allow her to secure, preserve, and protect the assets
22 of the Receivership Entities, investigate and recover sums transferred to third
23 parties, analyze the Receivership Entities' financial transactions, and report her
24 findings to the Court and the parties. The appointment orders also authorize the
25 Receiver to engage counsel to assist her in the performance of her duties. The
26 Receiver promptly determined that experienced, qualified counsel was critical due
27 to the scope and complexity of her duties under the TRO. Accordingly, the
28 Receiver engaged Allen Matkins to assist with urgent legal issues and the firm

1 immediately began work, including assisting with the takeover of the enterprises and
2 securing their assets.

3 **II. FEE APPLICATION**

4 This Application seeks interim approval of \$32,470.20 in fees for a total of
5 59.70 hours worked, and payment on an interim basis of 80% of that amount, or
6 \$25,976.16. The work performed is described task-by-task on Exhibit A and is
7 broken down into the following categories:

8 Category	Hours	Amount
9 General Receivership	28.30	\$15,604.65
10 Asset Investigation & Recovery	21.70	11,671.20
11 Reporting	5.40	2,891.70
12 Operations & Asset Sales	1.40	749.70
13 Claims & Distributions	2.70	1,445.85
Pending Litigation	.20	107.10
14 Total	59.70	\$32,470.20

15 Allen Matkins has worked diligently and efficiently to assist the Receiver to
16 address urgent legal issues facing the receivership estate through the transition to a
17 Court-ordered receivership. Allen Matkins' work has assisted the Receiver in
18 carrying out her Court-ordered duties and the firm should be compensated on an
19 interim basis.

20 **III. SUMMARY OF TASKS PERFORMED AND COSTS INCURRED**

21 **A. Categories and Descriptions of Work**

22 *1. General Receivership*

23 Allen Matkins' work in the General Receivership category initially focused on
24 review and analysis of key orders and pleadings, the evidence filed by the FTC, and
25 case materials, as well as interaction with attorneys for the FTC. This work was
26 necessary to advise the Receiver on legal issues relating to the scope of the
27 receivership, the duties, responsibilities, and powers conferred on her by the Court,
28 and the effect of other key provisions of the Court's orders. This work was also

1 necessary to advise the Receiver regarding legal issues arising from the prompt
2 transition of management and control of the Receivership Entities and its assets,
3 books and records from Defendants to the Receiver upon entry of the Appointment
4 Order.

5 Attorney Ted Fates attended the hearing on the Court's Order to Show Cause
6 re: Preliminary Injunction held on April 26, 2018. The firm also assisted the
7 Receiver in preparing the schedule of known creditors required under Local
8 Rule 66-5. Dkt. No. 45. The reasonable and necessary fees for Allen Matkins' work
9 in this category total \$15,604.65.

10 2. *Asset Investigation*

11 Allen Matkins' time in this category focused on gathering and reviewing
12 critical documents and information, investigating the Receivership Entities' assets,
13 including potential claims against third parties, and advising the Receiver on actions
14 necessary to preserve and protect such assets. Among other things, the firm drafted
15 and sent letters to third parties providing notice of the TRO, drafted and sent letters
16 to landlords regarding termination of leases, and drafted and sent a letter to Sergio
17 Rodriguez regarding his violation of the TRO and Preliminary Injunction Order.
18 The firm also communicated with these third parties regarding receivership assets
19 and the TRO.

20 Allen Matkins also prepared and issued subpoenas to vendors, financial
21 institutions, and other third parties to obtain documents important to the Receiver's
22 investigation and analysis of assets, including following up with counsel for each
23 subpoenaed party to ensure compliance with the subpoenas. The reasonable and
24 necessary fees for work in this category total \$11,671.20.

25 3. *Reporting*

26 Allen Matkins' work in this category during the First Application Period
27 focused on preparing the Receiver's First Report. Dkt. No. 35. The First Report,
28 filed on April 24, 2013, provided a summary of the Receiver's activities, including

1 actions to implement the TRO, efforts to recover receivership assets, documents and
2 records, and her initial assessment of the Receivership Entities' operations. The
3 First Report also provided a summary of the assets of the Receivership Entities,
4 based on the Receiver's preliminary investigation. Finally, the First Report provided
5 an initial accounting of receipts and disbursements, as well as the Receiver's initial
6 recommendations for proceeding with the receivership. The reasonable and
7 necessary fees for work in this category total \$2,891.70.

8 4. *Operations & Asset Sales*

9 Allen Matkins' time in this category focused on advising the Receiver on
10 urgent operating issues facing the Receivership Entities, including payroll issues,
11 communications with employees, communications with landlords regarding
12 termination of operations, and communications with customers. The reasonable and
13 necessary fees for work in this category total \$749.70.

14 5. *Claims and Distributions*

15 Allen Matkins' time in this category focused on preparing letters providing
16 notice of the receivership to customers and termination of operations. The firm also
17 responded to specific inquiries and communications from customers. The
18 reasonable and necessary fees for work in this category total \$1,445.85.

19 6. *Pending Litigation*

20 At the time of the Receiver's appointment, there was one action pending in
21 bankruptcy court. Allen Matkins advised the Receiver as to the stay of a pending
22 motion seeking relief against CHAC. The reasonable and necessary fees for work in
23 this category total \$107.10.

24 **B. Summary of Expenses Requested for Reimbursement**

25 Allen Matkins requests the Court approve reimbursement of \$1,771.35 in out-
26 of-pocket costs. The itemization of such expenses is summarized below by
27 category.
28

Category	Total
Duplication/Postage/Faxes	204.00
Messenger/FedEx Fees	648.85
Service of Process	761.50
Court Filing Fees/Recorder Fees/Secretary of State Fees (including associated messenger fees for delivery of documents)	157.00
TOTAL	\$1,771.35

IV. THE FEES AND COSTS ARE REASONABLE AND SHOULD BE ALLOWED

"As a general rule, the expenses and fees of a receivership are a charge upon the property administered." *Gaskill v. Gordon*, 27 F.3d 248, 251 (7th Cir. 1994). These expenses include the fees and expenses of this Receiver and his professionals, including Allen Matkins. Decisions regarding the timing and amount of an award of fees and costs to the Receiver and his Professionals are committed to the sound discretion of the Court. See *SEC v. Elliot*, 953 F.2d 1560, 1577 (11th Cir. 1992) (rev'd in part on other grounds, 998 F.2d 922 (11th Cir. 1993)).

In allowing fees, a court should consider "the time, labor and skill required, but not necessarily that actually expended, in the proper performance of the duties imposed by the court upon the receiver[], the fair value of such time, labor and skill measured by conservative business standards, the degree of activity, integrity and dispatch with which the work is conducted and the result obtained." *United States v. Code Prods. Corp.*, 362 F. 2d 669, 673 (3d Cir. 1966) (internal quotation marks omitted). In practical terms, receiver and professional compensation thus ultimately rests upon the result of an equitable, multi-factor balancing test involving the "economy of administration, the burden that the estate may be able to bear, the amount of time required, although not necessarily expended, and the overall value of the services to the estate." *In re Imperial 400 Nat'l, Inc.*, 432 F.2d 232, 237 (3d Cir. 1970). Regardless of how this balancing test is formulated, no single factor is

1 determinative and "a reasonable fee is based [upon] all circumstances surrounding
2 the receivership." *SEC v. W.L. Moody & Co., Bankers (Unincorporated)*,
3 374 F. Supp. 465, 480 (S.D. Tex. 1974).

4 As a preliminary matter, the TRO and Preliminary Injunction Order confer on
5 the Receiver substantial duties and powers, including to conduct such investigation
6 and discovery as is necessary to locate and account for all receivership assets, take
7 such action as is necessary and appropriate to assume control over and preserve
8 receivership assets, and employ attorneys and others to investigate and, where
9 appropriate, institute, pursue, and prosecute all claims and causes of action of
10 whatever kind and nature. *See* Dkt. No. 20, TRO, Section XII; Dkt. No. 43,
11 Preliminary Injunction Order, Section XII.

12 The Receiver promptly determined that experienced, qualified counsel was
13 necessary due to scope and complexity of her duties under the TRO and Preliminary
14 Injunction Order. Allen Matkins has submitted a detailed fee application which
15 describes the nature of the services rendered, and the identity and billing rate of each
16 individual performing each task. *See* Exhibit A. Allen Matkins has endeavored to
17 staff matters as efficiently as possible, while remaining cognizant of the complexity
18 of issues. The request for fees is based on Allen Matkins' customary billing rates
19 charged for comparable services provided in other matters, less a 10% discount.

20 The work performed by Allen Matkins was essential to carrying out the
21 Receiver's Court-ordered duties. The Receiver and Allen Matkins have worked
22 diligently since the Receiver's appointment to preserve and protect the assets of the
23 receivership estate, and to investigate potential claims against third parties.
24 Moreover, Allen Matkins seeks payment of only 80% of fees incurred on an interim
25 basis in recognition of the fact that its work in assisting the Receiver is ongoing.
26 Payment of the proposed 20% holdback will be sought at the conclusion of the
27 receivership. Allen Matkins' fees are fair and reasonable and should be approved
28 and paid on an interim basis.

1 **V. CONCLUSION**

2 Allen Matkins therefore respectfully requests this Court enter an Order:

- 3 1. Approving Allen Matkins' fees, on an interim basis, of \$32,470.20;
- 4 2. Authorizing and directing the Receiver to pay 80% of approved fees, or
- 5 \$25,976.16, from the assets of the Receivership Entities;
- 6 3. Approving Allen Matkins' costs in the amount of \$1,771.35 and
- 7 authorizing and directing the Receiver to reimburse such costs in full; and
- 8 4. For such other and further relief as the Court deems appropriate.
- 9

10 Dated: June 26, 2018

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

By: /s/ Edward Fates

EDWARD G. FATES
Attorneys for Receiver
THOMAS HEBRANK

EXHIBIT A

06/20/18 15:40:01 PROFORMA STATEMENT FOR MATTER 377551-00002 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (General Receivership)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 377551-00002

Matter Name: General Receivership

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Capital Home Advocacy Center

Proforma Number 1366522

Client/Matter Joint Group # 377551-1

Fees for Matter 377551-00002 (General Receivership)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/13/18	7474199	Review and analyze TRO appointing Receiver and advise Receiver regarding scope and strategy for takeover/securing businesses and assets.	Fates, Edward	2.2	1,178.10	1,178.10
04/15/18	7474200	Review FTC complaint and advise Receiver regarding takeover strategy and checklist, plan regarding interviews with principals and employees, and document and data preservation.	Fates, Edward	3.1	1,660.05	2,838.15
04/16/18	7475602	Analysis of the issues concerning the Cap Home Advocacy business operations/mortgage reinstatement issues/victims (1.1); Advice and legal counsel to Receiver regarding approach to operation (.6)	Zaro, David	1.7	1,216.35	4,054.50
04/16/18	7475565	Assist Receiver with implementation of emergency TRO, including meeting with defendants, takeover of businesses, securing of assets and documents, witness and employee interviews, initial steps to protect consumers, and strategy for	Fates, Edward	12.6	6,747.30	10,801.80

06/20/18 15:40:01 PROFORMA STATEMENT FOR MATTER 377551-00002 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (General Receivership)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		identification and securing of additional assets and documents.				
04/20/18	7479366	Revisions to Receiver's declaration provided by FTC's counsel and communications with Receiver and FTC's counsel regarding same.	Fates, Edward	0.8	428.40	11,230.20
04/23/18	7481279	Emails with Receiver and counsel re analysis/reporting (.2). Review/revise draft of Receiver's report, advice to Receiver re same (.6).	Zaro, David	0.8	572.40	11,802.60
04/24/18	7481129	Advise Receiver as to response to government subpoena for documents.	Fates, Edward	0.4	214.20	12,016.80
04/25/18	7482767	Discuss preparation for April 26 hearing with Receiver.	Fates, Edward	0.3	160.65	12,177.45
04/26/18	7484116	Prepare for and attend hearing on OSC regarding preliminary injunction.	Fates, Edward	2.7	1,445.85	13,623.30
04/27/18	7484643	Review Preliminary Injunction Order and related orders issued by court and discuss same with Receiver (.4); work on schedule of known creditors required under LR 66-5 (.2).	Fates, Edward	0.6	321.30	13,944.60
04/29/18	7486461	Advise Receiver as to office closure and document management, storage and access issues.	Fates, Edward	0.9	481.95	14,426.55
04/30/18	7487684	Revise Receiver's response to Defendant C. Rodriguez regarding access to premises to recover personal belongings and review records.	Fates, Edward	0.2	107.10	14,533.65
05/02/18	7490931	Work on schedule of known creditors required under LR 66-5 and discuss same with Receiver (.9); advise	Fates, Edward	1.3	696.15	15,229.80

06/20/18 15:40:01 PROFORMA STATEMENT FOR MATTER 377551-00002 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (General Receivership)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		Receiver regarding defendant requests to retrieve items from company offices and access company records (.4).				
05/03/18	7492266	Communications with FTC's counsel regarding access to company call records and discuss same with Receiver.	Fates, Edward	0.3	160.65	15,390.45
05/04/18	7493000	Communications with AUSA and FTC's counsel regarding requests for call records and related information.	Fates, Edward	0.4	214.20	15,604.65

Disbursements for Matter 377551-00002 (General Receivership)

Trans Date	Index	Type	Quantity	Amt
04/13/18	2426003	Duplication	1,600.00	160.00
04/17/18	2430008	Service of Process - - Nationwide Legal, LLC, LAURA SAMIMI, SUBPOENA^SUBPOENAATTEMPT TONIGHT &TOMORROW MORNING, SACV18-00597JLS-KESX-FEDERAL TRADE V.^169783	1.00	338.25
04/18/18	2420707	Duplication	416.00	41.60
04/18/18	2420708	Reprographics - Color	24.00	2.40
04/18/18	2425420	Messenger -- Federal Express Invoice No: 168534110 0313 Ship To: LEAD TRANSFER SYSTEM	1.00	67.93
04/18/18	2425478	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To: Jacob W Holcomb & Matt Hastin	1.00	20.58
04/18/18	2425479	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To: iClick Advertising, LLC	1.00	20.58
04/18/18	2425480	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To:	1.00	16.58

06/20/18 15:40:01 PROFORMA STATEMENT FOR MATTER 377551-00002 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (General Receivership)

Trans Date	Index	Type	Quantity	Amt
04/18/18	2425481	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To: Andrew Cody & Leon Saja	1.00	17.29
04/18/18	2425482	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To:	1.00	12.19
04/18/18	2425483	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To: Jim Lee	1.00	12.19
04/18/18	2425484	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To: Jim Lee	1.00	12.19
04/18/18	2425485	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To: Jim Lee	1.00	20.58
04/18/18	2425486	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To:	1.00	12.19
04/18/18	2425487	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To:	1.00	27.19
04/18/18	2429595	Messenger - - Federal Express Invoice No: 617165580 0313 Ship To: Jim Lee	1.00	20.58
04/18/18	2429596	Messenger - - Federal Express Invoice No: 617165580 0313 Ship To: Steven D Cooper Registered Ag	1.00	27.19
04/18/18	2430009	Service of Process - - Nationwide Legal, LLC, LAURA SAMIMI, SUBPOENA^SUBPOENAATTEMPT TONIGHT &TOMORROW MORNING, SACV18-00597JLS-KESX- FEDERAL TRADE V.^169783	1.00	173.25
04/20/18	2430191	Service of Process - - Nationwide Legal, LLC, MASTERCARD INTERNATIONAL INC., SUBPOENA^SERVE ASAP, 8:18CV- 00597-JLS-KES-FEDERAL V. AMERICAN^434961	1.00	125.00
04/20/18	2430192	Service of Process - - Nationwide Legal, LLC, VISA USA, SUBPOENA^SERVE ASAP, 8:18CV-00597-JLS-KES- FEDERAL V. AMERICAN^434961	1.00	125.00

06/20/18 15:40:01 PROFORMA STATEMENT FOR MATTER 377551-00002 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (General Receivership)

Trans Date	Index	Type	Quantity	Amt
04/21/18	2425488	Messenger -- Federal Express Invoice No: 616483039 0313 Ship To: David Zaro	1.00	12.52
04/23/18	2425422	Messenger -- Federal Express Invoice No: 168536004 1665 Ship To: MS ANA CHAVEZ, PRESIDENT	1.00	37.67
04/23/18	2425508	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To: Zoho Corporation	1.00	17.37
04/23/18	2425509	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To: Zoho Corporation	1.00	18.42
04/23/18	2425510	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To: Ms Ana Chavez, President	1.00	20.24
04/23/18	2425511	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To: uAttend Employee Management S	1.00	12.23
04/23/18	2425512	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To:	1.00	17.37
04/23/18	2425513	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To:	1.00	12.23
04/23/18	2425514	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To: eFax	1.00	12.23
04/23/18	2425515	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To: Spectrum	1.00	20.67
04/23/18	2429601	Messenger - - Federal Express Invoice No: 617165580 Paid to: Fedex per 99999 Ship To: DAVID ZARO	1.00	12.57
04/24/18	2425516	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To: Ted Saedi	1.00	22.84
04/24/18	2425517	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To: Carmen Pinon	1.00	12.23
04/24/18	2425518	Messenger -- Federal Express Invoice No: 616485084 1665 Ship To:	1.00	12.23

06/20/18 15:40:01 PROFORMA STATEMENT FOR MATTER 377551-00002 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (General Receivership)

Trans Date	Index	Type	Quantity	Amt
04/24/18	2430193	Messenger - - Nationwide Legal, LLC, USDC - CENTRAL DISTRICT, ^, 18-597-FTC V AMERICAN HOME^434961	1.00	27.00
04/27/18	2429600	Messenger - - Federal Express Invoice No: 617165580 0313 Ship To: David Zaro	1.00	17.34
05/02/18	2427968	Messenger -- Federal Express Invoice No: 617826173 1665 Ship To: Hon Josephine L Staton	1.00	12.26
05/08/18	2430210	Document Research - - Nationwide Legal, LLC, ALLEN MATKINS LECK GAMBLE & MALLORY, COPIES OF DOC #43 ^OBTAIN 3 CERTIFIEDCOPIES OF DOC #43 &RETURN TO JANINE, SACV18-00597JLS-KESX-FEDERAL TRADE V.^435435	1.00	157.00
05/10/18	2429741	Messenger - - Federal Express Invoice No: 618567474 1665 Ship To: Daniele Levy	1.00	28.95
05/18/18	2429880	Messenger -- Federal ExpressInvoice No: 619363788 1665 Ship To: Mr Ted Saedi	1.00	22.94
05/18/18	2429881	Messenger -- Federal ExpressInvoice No: 619363788 1665 Ship To: Ms Serena Benson	1.00	12.28

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	2.5	715.50	1,788.75
001665	Edward Fates	25.8	535.50	13,815.90
		<u>28.3</u>		<u>15,604.65</u>
Total Fees				15,604.65
Total Disbursements				1,771.35

06/18/18 09:45:26 PROFORMA STATEMENT FOR MATTER 377551-00003 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (Asset Investigation & Recovery)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 377551-00003

Matter Name: Asset Investigation & Recovery

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Capital Home Advocacy Center

Proforma Number

Client/Matter Joint Group # 377551-1

Fees for Matter 377551-00003 (Asset Investigation & Recovery)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/16/18	7475606	Draft analysis of scope of order and then letters to the vendors/outside parties to address the TRO/preservation and turnover (.8).	Zaro, David	0.8	572.40	572.40
04/17/18	7478123	Work on the recovery of the bank accounts for the entities (.4). Calls with counsel to advise as to recovery of accounts (.3).	Zaro, David	0.7	500.85	1,073.25
04/17/18	7475896	Revise subpoena for documents to be issued to CHAC's outside accountant (.4); advise Receiver on investigative steps to implement TRO (.7).	Fates, Edward	1.1	589.05	1,662.30
04/17/18	7487201	Draft subpoena to former accountant Samimi.	Griffin, Peter	0.9	307.80	1,970.10
04/18/18	7478134	Review emails, draft letter to vendors/third parties related to freeze/turnover (.7). Revisions to the letters, advice to counsel (.5). Call with counsel and emails related to lender letter (.4).	Zaro, David	1.6	1,144.80	3,114.90
04/18/18	7476513	Advise Receiver regarding strategy for obtaining outside vendor compliance with TRO and	Fates, Edward	1.0	535.50	3,650.40

06/18/18 09:45:26 PROFORMA STATEMENT FOR MATTER 377551-00003 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (Asset Investigation & Recovery)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		communications regarding same (.3); revise vendor notification letter (.2); discuss lender notification letter and issues regarding same with Receiver (.5).				
04/18/18	7487222	Follow-up communications regarding service of subpoena.	Griffin, Peter	0.5	171.00	3,821.40
04/19/18	7478023	Work on document subpoenas to be issued to credit card processing agencies and discuss same with Receiver.	Fates, Edward	0.5	267.75	4,089.15
04/19/18	7478031	Work on letter to landlord regarding termination of lease, removal of personal property, and recovery of security deposit (.4); discuss same with Receiver and G. Rodriguez (.2).	Fates, Edward	0.6	321.30	4,410.45
04/20/18	7478596	Assist Receiver with issues relating to chain of custody of company records (.2); revisions to letter to S. Rodriguez regarding violation of TRO and turnover of funds withdrawn (.2); advise Receiver regarding takeover of business premises of NAC and issues with landlord regarding same (.6); discuss response to subpoena from L. Samimi with L. Ryan and next steps regarding same (.3); communications with storage unit location and L. Ryan regarding S. Rodriguez storage unit (.4).	Fates, Edward	1.7	910.35	5,320.80
04/20/18	7487276	Phone calls with deponent Samimi (.8); confer with counsel regarding same (.4).	Griffin, Peter	1.2	410.40	5,731.20

06/18/18 09:45:26 PROFORMA STATEMENT FOR MATTER 377551-00003 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (Asset Investigation & Recovery)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/22/18	7479666	Advise Receiver regarding affiliate status of entities and steps to secure assets of same.	Fates, Edward	0.4	214.20	5,945.40
04/23/18	7480357	Work on letters providing notice of TRO to vendors and landlord for NAC office.	Fates, Edward	0.4	214.20	6,159.60
04/24/18	7481089	Communications with counsel for vendor/service providers regarding TRO notification letter and company accounts.	Fates, Edward	0.7	374.85	6,534.45
04/25/18	7482282	Communications with NAC vendors, credit card associations, and Receiver regarding account information, access, and production of account records (1.4); review correspondence from Capital Home landlord and advise Receiver regarding same (.3).	Fates, Edward	1.7	910.35	7,444.80
04/26/18	7483493	Follow up communications with NAC vendors and service providers regarding access to accounts and production of documents.	Fates, Edward	0.8	428.40	7,873.20
04/27/18	7484916	Further communications with credit card associations regarding accounts used by defendants (.3); calls with Capital Home landlord regarding surrender of possession and recovery of security deposit (.4); discuss same with Receiver (.2).	Fates, Edward	0.9	481.95	8,355.15
04/30/18	7490039	Several calls and advice to Receiver related to document retention/coordination with FTC/AUSA (.3).	Zaro, David	0.3	214.65	8,569.80

06/18/18 09:45:26 PROFORMA STATEMENT FOR MATTER 377551-00003 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (Asset Investigation & Recovery)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/30/18	7486749	Revise Receiver's letter to PayPal regarding freezing of possible NAC account.	Fates, Edward	0.3	160.65	8,730.45
04/30/18	7489388	Calls with deponent Samimi.	Griffin, Peter	0.3	102.60	8,833.05
05/01/18	7490288	Prepare demand letter to S. Rodriguez regarding turnover of funds withdrawn from company accounts (.8); follow up communications with counsel for Visa (.1); initial analysis of potential employee dishonesty insurance claim and discuss same with G. Rodriguez (.2).	Fates, Edward	1.1	589.05	9,422.10
05/04/18	7492996	Communications with NAC vendors and Receiver regarding court orders, access to company records, accounts, and recovery of deposit.	Fates, Edward	1.2	642.60	10,064.70
05/07/18	7494492	Communications with vendors regarding access to company records and credit card accounts (.4); discuss surety bond issues with Receiver (.2).	Fates, Edward	0.6	321.30	10,386.00
05/11/18	7499752	Communications with vendors and utility service provider regarding access to accounts and account data and recovery of utility deposit (.4); advise Receiver regarding same (.1).	Fates, Edward	0.5	267.75	10,653.75
05/16/18	7503563	Prepare letter to landlord regarding surrender of possession and recovery of security deposit and discuss same with Receiver (.8); communications with landlord regarding same (.1).	Fates, Edward	0.9	481.95	11,135.70
05/18/18	7505838	Prepare letter to NAC landlord regarding surrender of possession and recovery of security deposit and	Fates, Edward	0.7	374.85	11,510.55

06/18/18 09:45:26 PROFORMA STATEMENT FOR MATTER 377551-00003 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (Asset Investigation & Recovery)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
		discuss same with Receiver.				
05/24/18	7509902	Communications with counsel for Visa regarding information and records for credit cards used by receivership entities.	Fates, Edward	0.3	160.65	11,671.20

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
000313	David Zaro	3.4	715.50	2,432.70
001665	Edward Fates	15.4	535.50	8,246.70
002209	Peter Griffin	2.9	342.00	991.80
		<u>21.7</u>		<u>11,671.20</u>
Total Fees				11,671.20
Total Disbursements				0.00

06/18/18 09:45:26 PROFORMA STATEMENT FOR MATTER 377551-00004 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (Reporting)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 377551-00004

Matter Name: Reporting

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Capital Home Advocacy Center

Proforma Number

Client/Matter Joint Group # 377551-1

Fees for Matter 377551-00004 (Reporting)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/20/18	7479192	Advise Receiver regarding content for initial report to the court.	Fates, Edward	0.4	214.20	214.20
04/22/18	7479667	Work on Receiver's First Interim Report (1.4); communications with Receiver regarding same (.2).	Fates, Edward	1.6	856.80	1,071.00
04/23/18	7480004	Further revisions and additions to Receiver's First Interim Report (2.1); discussions regarding same with Receiver (.6).	Fates, Edward	2.7	1,445.85	2,516.85
04/24/18	7481562	Final revisions to Receiver's First Interim Report and exhibits.	Fates, Edward	0.7	374.85	2,891.70

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	5.4	535.50	2,891.70
		<u>5.4</u>		<u>2,891.70</u>
Total Fees				2,891.70
Total Disbursements				0.00

06/18/18 09:45:26 PROFORMA STATEMENT FOR MATTER 377551-00005 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (Operations & Asset Sales)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 377551-00005

Matter Name: Operations & Asset Sales

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Capital Home Advocacy Center

Proforma Number

Client/Matter Joint Group # 377551-1

Fees for Matter 377551-00005 (Operations & Asset Sales)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/18/18	7476499	Advise Receiver regarding payroll issues and communications with company employees (.2); draft letter to lenders regarding suspension of operations and direct communications with customers (.7).	Fates, Edward	0.9	481.95	481.95
04/24/18	7480916	Advise Receiver regarding issues with handling of checks/mail and responses to same (.2); work on letter to NAC landlord regarding termination of lease and surrender of possession (.3).	Fates, Edward	0.5	267.75	749.70

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	1.4	535.50	749.70
		1.4		749.70
Total Fees				749.70
Total Disbursements				0.00

06/18/18 09:45:26 PROFORMA STATEMENT FOR MATTER 377551-00006 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (Claims & Distributions)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 377551-00006

Matter Name: Claims & Distributions

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Capital Home Advocacy Center

Proforma Number

Client/Matter Joint Group # 377551-1

Fees for Matter 377551-00006 (Claims & Distributions)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/15/18	7474201	Advise Receiver regarding initial communications to customers and changes to company websites.	Fates, Edward	0.6	321.30	321.30
04/17/18	7475887	Prepare letter to customers regarding receivership, suspension of operations, and direct communications with lenders (1.2); discuss same with Receiver (.4).	Fates, Edward	1.6	856.80	1,178.10
04/24/18	7481181	Revisions to follow up letter to consumers.	Fates, Edward	0.3	160.65	1,338.75
05/08/18	7495587	Respond to communications from process server regarding small claim against CHAC.	Fates, Edward	0.2	107.10	1,445.85

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	<u>2.7</u>	535.50	<u>1,445.85</u>
		2.7		1,445.85
Total Fees				1,445.85
Total Disbursements				0.00

06/18/18 09:45:26 PROFORMA STATEMENT FOR MATTER 377551-00008 (Krista Freitag, as Receiver for Capital Home Advocacy Center) (Pending Litigation)

Preliminary Billing Form

Billing Atty: 001665 - Edward Fates

Matter #: 377551-00008

Matter Name: Pending Litigation

Date of Last Billing:

Client Name: Krista Freitag, as Receiver for Capital Home Advocacy Center

Proforma Number

Client/Matter Joint Group # 377551-1

Fees for Matter 377551-00008 (Pending Litigation)

Trans Date	Index	Description of Service Rendered	Timekeeper	Hours	Fees	Sum
04/23/18	7479762	Advise Receiver as to stay of pending motion in bankruptcy court seeking relief against Capital Home.	Fates, Edward	0.2	107.10	107.10

Proforma Summary

Timekeeper Number	Timekeeper	Hours	Rate	Amounts
001665	Edward Fates	0.2	535.50	107.10
		0.2		107.10
Total Fees				107.10
Total Disbursements				0.00